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Joseph F. Smith, Jr.  
Unitization Coordinator

April 24, 2003

**ChevronTexaco**

Hon. James H. Welsh, Commissioner  
Department of Natural Resources  
Office of Conservation  
P. O. Box 94275 - Capitol Station  
Baton Rouge, LA 70804-9275

Re: **APPLICATION FOR PUBLIC HEARING**  
**Commingling Facility No. 5 (93617)**  
**Venice Field**  
**Plaquemines Parish, Louisiana**

Dear Sir:

Pursuant to the provisions of Title 30 of the Revised Statutes of 1950 and Statewide Order No. 29-D-1, application is made on behalf of Chevron U.S.A. Inc. for the calling of a public hearing after **ten-day legal notice**, to consider evidence relative to the issuance of an order giving permission to commingle production from the following leases/units with production previously approved for commingling at Commingling Facility No. 5 in the Venice Field, Plaquemines Parish, Louisiana:

Louisiana Fruit Co. (Serial No. 227412)  
B-13 RB SUA (Docket No. 03-352)  
B-36 RB SUA (Docket No. 03-353)  
B-98 RA SUA (Order No. 64-EEE)  
M-18 RA SUA (Order No. 64-FFF)  
D-6 RA SUA (Order No. 64-GGG)  
B-22 RA SUA (Order No. 64-F-5)

The Louisiana Fruit Co. No. 1 well (Serial No. 227412) was completed in the B-36 Sand, Reservoir B on April 7, 2003. All the units listed above are prospective completions for the Louisiana Fruit Co. No. 1 Well, and are identical 350-acre geographical units.

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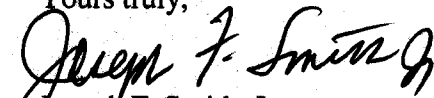
Chevron will provide for the advertisement of the legal notice in a newspaper of general circulation in the vicinity of the Venice Field and also will post the legal notice in a prominent place in the area of the Venice Field. Chevron will also mail a copy of said legal notice to the interested parties, including operating and royalty interests.

Attached are (1) a copy of the description of operation and schematic, (2) a list of Interested Parties, including operating and royalty interest, and (3) a check in the amount of \$755.00 to cover the application fee due.

A copy of this application is being sent to Mr. Richard D. Hudson, District Manager, Lafayette, Louisiana, and to each Interested Owner, Represented Party, and Interested Party after a reasonable effort was made to ascertain the names and addresses of all Interested Owners, Represented Parties and Interested Parties.

All inquiries concerning this proposal should be directed to Mr. Joseph F. Smith, Jr., Chevron U.S.A. Inc., 935 Gravier St., Room 1944, New Orleans, Louisiana 70112, telephone number (504) 592-6710.

Yours truly,

  
Joseph F. Smith, Jr.  
Unitization Coordinator

JFSmith:VENCF#5APP

Attachments

cc: Mr. Richard D. Hudson-District Manager

Interested Owners, Represented Parties, and Interested Parties

**COMMINGLING FACILITY NO. 5  
TANK BATTERY NO. 5  
VENICE FIELD  
PLAQUEMINES PARISH, LOUISIANA**

**TANK BATTERY NO. 1 (TEST PLATFORM – WAS CF #1)**

Production from the Manhattan Land and Fruit Company "A" lease, V B-6 R24D-UN SU(2), V B-5 R2-Y SU(2), V M-15C RPB-PB SU(2), V M-3 R2-4 SU(2), VUA (Manhattan Land & Fruit Co. "A" lease), VUA (C. L. Johnson lease), and M-17 R24C-24A SUA flows to a system of separators and orifice meters. Gas production flows through a common stripper to the low pressure gas system. Liquid production flows through a common free-water knockout and then to a storage tank from which it is pumped to the CF #5 treaters. At CF #5 the liquid from TB #1 is treated and commingled with the liquid from CF #5.

Liquid production is allocated on the basis of individual well tests conducted at least once per month. This is the same method as currently used (allocation by well test) with the exception that the liquids are then routed to CF #5, another platform which is also commingled and allocated by well test.

Gas production, which is also allocated on the basis of well test, can be flowed directly to the low pressure gas system, or routed through a stripper to remove excess liquids. Any liquids recovered are also allocated on the basis of well tests.

**VENICE SEPARATION PLATFORM**

Production from the Buras Levee District lease and the Louisiana Fruit Company lease flows to a system of separators and orifice meters. High pressure gas production flows through a stripper to the high pressure gas system. Low pressure gas production flows through a stripper to the low pressure gas system. Liquid production flows to a stock tank and then is pumped to Tank Battery #1 and then to CF#5. At CF #5 the liquid from the Venice Separation Platform is treated and commingled with the liquid from CF #5.

Liquid and gas production is allocated on the basis of individual well tests conducted at least once per month. This is the same method as currently used (allocation by well test) with the

### **Commingling Facility No. 5, Tank Battery No. 5**

Production from the Buras Levee District lease and those units entirely contained by this lease flows to Headers "A", "C", "D", "E", "F", and "G" prior to entering the production system of Commingling Facility No. 5. Production from the V B-13 R7-8 SU(1) and the V B-53 RPB-8 SU(1) flows through Header "B" to Header "C" before entering lines to Commingling Facility No. 5. Production from the Buras Levee District wells connected to Header "H" flows to Header "D" to enter lines going to Commingling Facility No. 5.

Production from the Manhattan Land and Fruit Company "C", "D", and "A", and Cattle Farms "C" and "A" leases flows to Header "D" prior to entering lines to Commingling Facility No. 5. Production from the VUG, VUF, and VUB also flows to Header "D" prior to entering lines to Commingling Facility No. 5.

All headers are equipped to allow any individual well to flow through a separate line directly connected to a series of low pressure gauge separators at Commingling Facility No. 5. Total liquid flows through these separators and is metered prior to flowing to the free water knockout where separation is performed by the same method described below for normal production. Gas from the gauge separators is metered prior to entering the gas scrubber leading to the low pressure gas system.

At Commingling Facility No. 5, production from all headers flows through a common system of separators, free water knockouts, and chem-electric emulsion treaters, prior to entering commingled storage. Liquids from Tank Battery No. 1 are combined with the liquids from CF #% prior to entering the free water knockouts. Gas production is scrubbed and metered prior to entering the low pressure gas system. Recovered liquids from the scrubber flow to the stock tanks. Liquids from the low pressure separators flow to the free water knockouts where the salt water is flowed to the PC tanks and oil flowed to the chem-electric treaters. Oil from the chem-electric treaters flows to the stock tanks while salt water flows to the PC tanks.

Oil from the stock tanks is pumped through the LACT unit and out to sales. Tank bottoms from the stock tanks and skim oil from the PC tanks are pumped back to the free water knockout and reprocessed.

Production is allocated back to each property on the basis of individual well tests conducted at least once a month. The water cut is determined by taking shakeouts at the test separators. Total commingled liquid production to sales is measured by a L.A.C.T. unit.